



State of Utah

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Lieutenant Governor

Department of
Environmental Quality

Alan Matheson
Executive Director

DIVISION OF WATER QUALITY
Erica Brown Gaddis, PhD
Director

Water Quality Board
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Jennifer Grant, Vice-Chair
Clyde L. Bunker
Steven K. Earley
Gregg A. Galecki
Michael D. Luers
Alan Matheson
David C. Ogden
Dr. James VanDerslice
Dr. Erica Brown Gaddis
Executive Secretary

MINUTES

UTAH DEPARTMENT OF ENVIRONMENTAL QUALITY

UTAH WATER QUALITY BOARD

195 N. 1950 W.
Salt Lake City, UT 84116
June 27, 2018

UTAH WATER QUALITY BOARD MEMBERS PRESENT

Jennifer Grant	Clyde Bunker
Steven Earley	Scott Baird
Michael Luers	Gregg Galecki
James VanDerslice	

Excused: Myron Bateman, David Ogden, Alan Matheson

DIVISION OF WATER QUALITY STAFF MEMBERS PRESENT

Erica Gaddis, Savannah Miller, Skyler Davies, Emily Cantón, John Mackey, Chris Bittner, Jeff Studenka, Kim Shelley, Jim Harris, Ken Hoffman, Marsha Case, Lonnie Shull

OTHERS PRESENT

<u>Name</u>	<u>Organization Representing</u>
Joe Phillips	Kane Co. Water/Sunrise Eng.
David Koctz	Barr Engineering
Michael Noel	KCWDC
Aaron Wade	Gilmore & Bell
Justin Atkinson	Sunrise Engineering
Jason Broome	Forsgren Associates
Bruce Ward	Salem City
Kurt Christensen	Salem City
Rudd Conover	Forsgren Associates
Karen	HDR
Ariel Calmes	Western Resource Advocates
Brian Baker	Zions Bank

Ms. Grant called the Board meeting to order at 9:30 AM and took roll call for the members of the Board and audience.

APPROVAL OF MINUTES OF THE MAY 23, 2018 MEETING

Motion: **Mr. Galecki moved to approve the minutes of the May 23, 2018 meeting. Dr. VanDerslice seconded the motion. The motion passed unanimously.**

EXECUTIVE SECRETARY REPORT

- The Division continues to track the most recent version of the congressional budget including eligibility requirements of the Clean Water Act SRF funds, nutrient criteria, and Waters of the U.S.
- Waters of the U.S. discussion continues to move forward. On June 15th, EPA and the U.S. Army Core of Engineers sent a proposed new rule to redefine Waters of the U.S. to the Office of Management and Budget. Public comment will begin after review.
- Dr. Gaddis provided the Board with handouts to follow up on requests from the members in the previous meeting.
 - The first handout was a summary of the Utah Lake Study to assist the Board members when answering questions from the public about the study.
 - Dr. Gaddis also provided a summary of potential projects and SRF needs through 2025. It included a project tracking list that estimates 58 facilities around the state, an approximate total projects cost of over \$1 billion, and an estimated SRF demand of \$320 million.
 - The Board was also provided with a summary of the last five years of loans. Interest rates ranged from 0%-2.8%, loan terms ranged from 20-30 years, and 6 communities qualified for hardship grants. It also reported MAGI ranging from 0.88% to 1.4%.
 - A National Academy of Public Administration (NAPA) report was also discussed that includes 20 recommendations. The Board will be updated in August regarding the Division's assessment and if any recommendations are particularly applicable to Utah.
- The Board's new finance subcommittee met once to continue the discussion of hardship, projected low balances, and prioritizing projects. It was decided the subcommittee will meet monthly in between Board meetings.
- Dr. Gaddis met with the communities in Southern Utah County regarding the potential for a regional wastewater treatment plant. Salem wishes to move forward with their proposed treatment plant. Spanish Fork and Springville are interested in evaluating regional options. There is a concern that without a regional plant, there will be septic systems put in along the shores of Utah Lake. DWQ will continue to provide support and incentives for the project.
- The Natural Resources, Agricultural, and Environment Legislative Interim Committee discussed HB365 on June 18, 2018 that was introduced in the last Legislative session. The bill outlined changes to 19-5-104.5, but didn't pass due to lack of time. The sponsor has made several changes since the session including:
 - TMDL and Standards were separated into two sections.
 - Lines 38 & 39: Eliminated the need for agricultural facilities to have a UPDES permit.
 - Any state agency that passes a rule that has an impact of \$2 million for a single entity or \$50 million for a group of entities must refer to the appropriations subcommittee for review.

The Interim Committee discussed redrafting of the legislation to include only one threshold, of \$10 million, for full legislative approval.

- Provo Bay and Mantua Reservoir have developed harmful algal blooms. Because of the

funding approved by the Legislature, the staff have been able to routinely monitor and collect samples from more sites. Provo Bay has a warning issued, but Mantua Reservoir has a localized bloom with no advisory in place. There are also warnings for Utah Lake in Lincoln Marina, Sandy Beach, and Utah Lake State Park due to exceedances of microcystin and detection of anatoxin. Rockport Reservoir also has a localized bloom in the main boat launch area. The health department has provided information to the public but has not issued a formal advisory.

FUNDING REQUESTS

Financial Report: Ms. Canton updated the Board on the loan funds and Hardship Grant funds, as indicated in the packet.

Kane County/Duck Creek Intro: Mr. Davies assisted Kane County Water Conservancy District to introduce a request for financial assistance to fund property acquisition and construction of the Duck Creek collection system, as well as any necessary upgrades to the facility. They will be requesting a total of \$3,997,000, including \$202,500 in costs advance to purchase the property to begin the project.

Motion: **Mr. Bunker moved to approve an advance for \$203,000 to purchase the land. Mr. Earley seconded the motion. The motion passed unanimously.**

Salem City Request for Reauthorization: Mr. Davies reintroduced Salem City representatives to request reauthorization of their loan from \$13 million to \$20 million due to increases in construction costs when they received their bids. The loan term would increase to 30 years and remain at a rate of 1.15%.

Motion: **Mr. Luers moved to approve the reauthorization for \$20 million for 30 years at 1.15% with the same special conditions as the original authorization. Mr. Galecki seconded the motion. The motion passed unanimously.**

RULE MAKING

Request to adopt amendments to R317-2: Mr. Bittner requested the Board to approve the amendments to rule R317-2 as outlined in the packet.

Motion: **Dr. VanDerslice moved to approve the adoption of the amendments to rule R317-2. Mr. Earley seconded the motion. The motion passed unanimously.**

OTHER BUSINESS


Proposed Water Quality Study Funding Priorities and Criteria: Mr. Harris presented the proposed funding priorities and criteria for Water Quality Studies as introduced in the April Board meeting. After the May meeting, the Board preferred to not dedicate funds from the Hardship Grant and to, instead, assist in setting priorities and criteria for the projects and participate in selection. It is also anticipated there will be a review committee made up of staff to finalize an RFP that includes

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input from the Board. The recommendations of proposals will be brought to the Board in the Fall for review. Dr. VanDerslice is interested in serving on the review committee.

To listen to the full recording of the Board meeting go to: <http://www.utah.gov/pmnl/index.html>

Next Meeting – August 22, 2018



Myron Bateman, Chair
Utah Water Quality Board